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ABSTRACT

The utilization of data in combatting employment discrimination against women and minorities is reviewed in this paper. Suggestions are made for changes which would allow better use of data in formulating national policy and in enforcing the laws and executive orders against discrimination. For purposes of overall policy formation, emphasis is put on providing better information for Hispanics, and in reforming labor turnover data so that they are more revealing of the extent to which discrimination continues. Changes are suggested in the way employment and unemployment data are collected and published, in order to remove biases which minimize the problems of discriminated-against groups. With respect to data collected by the agencies charged with enforcement of anti-discrimination laws and executive orders, it is suggested that there be a shift of emphasis from the collection of data on stocks (numbers of employed) to data on flows (numbers of hires, promotions, separations) by occupation, and that such data be published by name of firm for large firms. It is also suggested that the Equal Employment Opportunity Commission (EEOC) develop a methodology for issuing estimates of availability by race x sex x occupation, and pair up such estimates with the data by firm name suggested above. (Author/GC)

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LABOR MARKET DATA NEEDS

RELATING TO ANTIDISCRIMINATION ACTIVITIES

Barbara R. Bergmann

A paper prepared for

The National Commission on Employment and Unemployment Statistics

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Executive Summary

The uses of data in combatting employment discrimination against women and minorities is reviewed and suggestions made for changes which would allow a better use of data in formulating national policy and in enforcing the laws and executive orders against discrimination. For purposes of overall policy formation, emphasis is put on providing better information for Hispanics, and in reforming labor turnover data so that they are more revealing of the extent to which discrimination continues. Changes are suggested in the way employment and unemployment data are collected and published so as to remove biases which minimize the problems of discriminated-against groups. With respect to data collected by the agencies charged with enforcement of anti-discrimination laws and executive orders, it is suggested that there be a shift of emphasis from the collection of data on stocks (numbers of employed) to data on flows (numbers of hires, promotions, separations) by occupation, and that such data be published by name of firm for large firms. It is also suggested that the EEOC develop a methodology for issuing estimates of availability by race x sex x occupation, and pair up such estimates with the data by firm name suggested above.

Labor Market Data Needs Relating to Antidiscrimination Activities

by

Barbara R. Bergmann

Among those social scientists who have tried to follow trends in the labor market position of minorities and women in the United States, it is probably fair to say that there is a concensus that although some progress has been made over the last decade, a great deal more needs to be done. We have not yet brought a fair share of qualified minority people and women into jobs from which they have been traditionally excluded, and we have not yet made fair hiring, promotion and pay the norm rather than the exception. It would not be correct to say that lack of adequate data has been a chief cause of the slow progress we have experienced. However, the collection and dissemination of relevant data by the government is of substantial importance in the continuing attempt to reduce discrimination and improve the labor market position of discriminated-against groups. An improved program of providing useful information might well make a considerable contribution toward a more efficient and more vigorous enforcement effort.

Data which bear on issues relating to employment discrimination are important in two contexts. One set of data are useful in setting national attitudes and broad-brush policies. Another (overlapping) data set is needed in the detailed work of enforcement of Title VII of the Civil Rights Act, under which the situations of individual employers and particular groups of their employees must diagnosed and dealt with. In this review, Part I deals with the adequacy and availability of the kinds of data needed for the direction of national policy. Part II deals with data needs for use

in connection with individual work establishments.

In the following material, I will be discussing breakdowns of data. When I suggest a breakdown "by race x sex" I mean data tabulated so as to give information separately for each race/sex combination (e.g., for black females) rather than suggesting two tabulations, i.e., one broken down by race with no sex breakdown and a second broken down by sex with no race breakdown. In general, if individuals surveyed are characterized by race and sex, it is desirable that data be published broken down by race x sex, since no extra cost or space seems required, and the gain of information is considerable. It is certainly desirable to know, for example, whether programs designed to help blacks are benefiting one sex of blacks to the exclusion of the other sex, and information by race x sex is necessary for monitoring such issues.

I. Data Needs in Setting National Policy on Discrimination

Probably the most important use of economic data relating to discrimination is their direct use in public discussions of the situation of groups which have been targets of discrimination, so as to motivate ameliorative policies on their behalf. Data which are used as ingredients to research may also end up having a policy influence, depending on the relevance of the research and the researcher's flair for exposition and publicity.

The kind of information (broken down by race x sex) of most importance for direct use in public policy discussion and in research relating to policy in the discrimination area are:

1. unemployment rates
2. distribution of employment by occupation

3. average wage rates or wage income
4. data on individuals which relate to their labor market "fitness" (such as education, measures of labor market attachment, experience) and their labor market "outcomes" (wage income, employment history)
5. data relating to labor turnover (separations, accessions, promotions, and vacancies).

The first three kinds of data listed above constitute the prime indicators of a group's success or failure in the labor market. In the United States, concern for the position of blacks in the labor market has been largely fueled by monthly releases of unemployment rates in the Department of Labor's Employment and Earnings. Annual income surveys, published in the Census Bureau's Current Population Surveys, have also played a prominant part in discussions of black's situation. With respect to women, it is the income survey results and the data on occupational distribution by sex which have had the most influence in arousing women to their situation and educating the public to their labor market problems. On the other hand it is possible to argue that the lack of monthly unemployment data has allowed the plight of our 11.3 million Hispanics to be pushed "under the rug", out of our national consciousness, and has impeded efforts to improve their labor market situation. We shall return to this issue below.

The first four kinds of data on our list have been extensively used in research on the labor market problems of blacks and women. In addressing issues of discrimination, the usual methodology has been to attempt to use data on individuals to measure that portion of the disadvantages suffered by these groups which might be said to be the result of "innocent" causes unrelated to employer discrimination, leaving a residual amount of disadvantage

to be explained by employment discrimination.[1] The fifth kind of data - labor turnover data, broadly conceived - is at present used chiefly by researchers, and these data are generally not seen as having direct policy implications. However, as will be discussed below, these kinds of data are of high potential significance in the fight on discrimination.

Having delineated the major kinds of information which are needed in the context of the debate and decisionmaking over national policies, it is appropriate to ask,

what groups of people should be differentiated?

how often should each kind of data be made available?

what industries and occupations should be broken out?

what geographic areas should be distinguished?

how do published data cover the needs?

what are some of the other problems with published data?

The answers to these questions depend on an assessment of the balance of costs and benefits, and are not going to be the same in all times and places. In Northern Ireland and Canada, a researcher on discrimination would obviously want data relating to employment problems of Protestants and Catholics, while in the United States, such data, although interesting, would not be considered vital in the context of employment discrimination at the present time.

A. Breaking Out Particular Groups

In the United States, the basic unemployment and occupation data are currently available monthly in a four-way break (white male, black male, white female, black female). For persons of Hispanic origin who constitute

about 5 percent of the population, some of these data are now available quarterly, and more detailed material is available annually. For American Indians (0.4%) and persons of Oriental heritage (1.2%), these kinds of data are available only in the decennial census. As indicated above, frequency of data collection and publication help to keep the publicity spotlight on discriminated-against groups; frequency is also valuable to researchers trying to understand the dynamics of the labor market. Keeping the spotlight on the problem of a group may be a necessary prerequisite to action on the group's behalf by its own members, as well as action on the group's behalf by local, state or federal governments. In making decisions as to the frequency with which data on the smaller groups are collected and the form on which it is published, the size of the group and the seriousness of its problems need both to be taken into account.

There has been a strong expressed dissatisfaction on the part of those who speak on behalf of Americans of Hispanic descent with data availability relating to Hispanics' labor market problems. They have succeeded in getting the Congress to pass Public Law 94-311 which directs the Departments of Labor and Commerce to

> "develop methods for improving and expanding the collection, analysis, and publication of unemployment data relating to Americans of Spanish origin or descent."

and further directs that these (and other) Departments

> "shall each collect, and publish regularly, statistics which indicate the social health and economic condition of Americans of Spanish origin or descent."[2] (Emphasis added)

Judging by a report of the Civil Rights Commission[3] on this subject, Hispanics would like to have all currently published tabulations of monthly

unemployment data which are now broken down by race (blacks and whites) changed so as to provide breakdowns for Hispanics, and in some cases subgroups of Hispanics (Mexican Americans, Pureto Ricans, Cubans, others) as well. They are eager for geographic detail. They want data on themselves included in the Handbook of Labor Statistics, and in the reports on unemployment insurance claims.

Considering the large size of this group, the graveness of their labor market problem, and the expression of public concern in Public Law 94-311, inclusion of data on overall unemployment for Hispanics (by sex) on a monthly basis seems not unreasonable. The publishing of other data relating to employment and unemployment on a monthly basis (such as distributions of durations, job search methods, reasons for nonparticipation in the labor force, etc.) would probably require larger samples than those necessary for the unemployment rates, and the benefits to Hispanics themselves is far from clear. Those who are pushing for the publication of those subsidiary kinds of employment and unemployment data for Hispanics are probably not aware of the fact that the most prominant use of these data so far has been in attempts to minimize the importance of current unemployment problems and pin the responsibility for women's and blacks' high unemployment rates on the behavior of the aggrieved groups.

With respect to reports concerning Unemployment Insurance (UI), Hispanics are probably underrepresented in employment covered by UI. Nonetheless, breaking them out of reports by state would provide a (perhaps crude) means of following Hispanic unemployment monthly on a state-by-state basis. Aside from publicity about their problems, a high priority for Hispanics is expanded access to training programs,[4] and they see timely local data as helping to

make their case for the establishment of particular programs. The cost of collection and tabulation of UI data for Hispanics by state is probably very low, and the potential benefits considerable.

For the other sizeable groups subject to discrimination, some improvements in unemployment data are arguably called for - older persons and the handicapped. The monthly unemployment report currently contains breakdowns by age x race x sex of unemployment, and durations by age, and a finer age break would be desirable. For the handicapped, it is likely that the data needs concerning their labor market problems could best be taken care of outside the statistical framework of the monthly survey of the labor force. Special attention would have to be paid to employment, unemployment and "underemployment" by type and severity of handicap, and adequate attention to those issues could only be expected from a special study.

Where the decision has been made (as it has for all ethnic or racial minorities but blacks and possibly Hispanics) to fail to break out particular groups in the monthly data on employment and unemployment, it seems reasonable for the Government to compensate partially by making available special funds for support and publication of research designed to make clear the scope and nature of the labor market problems of these groups.

B. Occupational Breakdowns in Macro Data

Data on sex and race differences in the distribution of employed persons by current occupation are central to all discussions of discrimination. While some employers discriminate by denying equal pay for equal work, the most common form of discrimination is an unwillingness to hire or promote women and minority males into types of jobs from which they have traditionally been absent. Dis-

parities by sex and race in unemployment rates and wage incomes follow from the practice of discrimination in hiring and promotion, but the primary practices themselves are most clearly revealed in the occupational data.

Women and minority males in the United States tend to be excluded from jobs which have a supervisory or management component, or from which supervisors are chosen. They also tend to be excluded from jobs in which there is a significant and lasting component of learning-by-doing, such as crafts work. Published occupational breakdowns ought to be such as to make these exclusions clear, and also to make it possible to chart progress in breaking down exclusionary practices. The present 31-occupation breakdown by sex and age shown monthly in Employment and Earnings is excellent. It would be very desirable if this were published on a race x sex x age basis (see Figure 1, which reproduces Table A-21 from Employment and Earnings).

C. Industry Breakdowns of Employment Data

In the past, the employment of women and minority males by a particular industry depended largely on the distribution of the industry's jobs by occupation. If an industry had a great many jobs which were traditionally considered "black jobs" or "female jobs" it would have a high representation of blacks or women, but such a high representation would not attest to nondiscriminatory behavior. The measure of an industry's progress is not how many blacks and women it employs, but how many it has hired for nontraditional jobs. Thus the industry data most valuable for policy purposes would be data available on an occupation x industry x race x sex basis. The currently published breakdown giving occupation x industry monthly (Table A-24 of Employment and Earnings) for all workers would be valuable if broken down monthly by race x sex x occupation x industry.

Figure 1.

HOUSEHOLD DATA

A-21. Employed persons by occupation, sex, and age
[In thousands]

Occupation	Total		Males, 20 years and over		Females, 20 years and over		Males, 16-19 years		Females, 16-19 years	
	Oct. 1976	Oct. 1977	Oct. 1976	Oct. 1977	Oct. 1976	Oct. 1977	Oct. 1976	Oct. 1977	Oct. 1976	Oct. 1977
TOTAL	88,697	92,230	49,215	50,610	32,430	34,109	3,756	4,076	3,296	3,436
White collar workers	44,387	46,332	21,291	21,946	20,871	22,032	611	658	1,614	1,696
Professional and technical	13,612	14,251	7,734	8,069	5,736	6,031	65	70	76	81
Health workers	2,343	2,534	809	876	1,519	1,649	3	3	13	8
Teachers, except college	3,224	3,196	898	905	2,302	2,278	3	5	21	8
Other professional and technical	8,045	8,521	6,027	6,288	1,915	2,104	59	62	42	65
Managers and administrators, except farm	9,463	9,981	7,507	7,715	1,892	2,168	37	58	27	39
Salaried workers	7,757	8,036	6,160	6,218	1,536	1,726	34	56	27	36
Self-employed workers in retail trade	905	957	656	662	247	291	2	2	--	3
Self-employed workers, except retail trade	801	988	690	836	110	152	1	--	--	--
Sales workers	5,592	5,727	2,867	2,966	2,073	2,163	252	247	400	352
Retail trade	3,096	3,093	960	953	1,576	1,604	189	202	371	334
Other industries	2,496	2,634	1,907	2,013	497	558	63	45	29	19
Clerical workers	15,721	16,373	3,183	3,196	11,170	11,670	257	284	1,111	1,223
Stenographers, typists, and secretaries	4,408	4,686	86	75	3,951	4,241	10	7	361	363
Other clerical workers	11,313	11,687	3,097	3,121	7,219	7,429	247	277	750	860
Blue-collar workers	29,354	30,536	22,144	22,827	4,779	4,987	2,030	2,260	401	462
Craft and kindred workers	11,486	11,969	10,582	10,932	473	564	393	430	38	44
Carpenters	1,077	1,214	999	1,113	8	7	67	92	4	2
Construction craft, except carpenters	2,393	2,390	2,280	2,278	23	18	92	96	--	--
Mechanics and repairers	3,031	3,243	2,860	3,072	28	52	143	119	--	2
Metal craft	1,200	1,256	1,154	1,200	20	25	24	29	2	1
Blue-collar worker supervisors, not elsewhere classified	1,477	1,549	1,357	1,382	109	155	9	10	3	2
All other	2,307	2,218	1,931	1,887	285	307	59	84	31	39
Operatives, except transport	10,131	10,459	5,567	5,646	3,734	3,849	582	653	248	311
Durable goods manufacturing	4,533	4,801	2,899	3,011	1,381	1,453	178	239	74	99
Nondurable goods manufacturing	3,245	3,328	1,239	1,205	1,776	1,841	115	127	115	155
Other industries	2,353	2,330	1,429	1,430	577	555	289	287	59	57
Transport equipment operatives	3,362	3,499	2,938	3,056	235	257	178	175	11	11
Drivers, motor vehicles	2,843	2,933	2,464	2,553	219	234	149	136	10	10
All other	519	566	474	503	15	22	29	39	1	1
Nonfarm laborers	4,376	4,609	3,057	3,193	337	318	878	1,002	104	96
Construction	751	873	590	693	11	10	144	172	7	--
Manufacturing	1,055	1,066	830	814	120	109	100	132	4	12
Other industries	2,570	2,669	1,637	1,687	206	199	634	697	93	86
Service workers	12,031	12,485	3,689	3,749	6,284	6,607	823	900	1,235	1,228
Private household workers	1,177	1,191	13	23	890	946	9	21	265	200
Service workers, except private household	10,854	11,294	3,676	3,726	5,394	5,661	814	879	970	1,028
Food service workers	3,975	4,179	730	735	2,066	2,151	509	570	670	723
Protective service workers	1,257	1,291	1,144	1,174	82	101	25	11	7	5
All other	5,622	5,824	1,802	1,817	3,246	3,409	280	298	293	300
Farm workers	2,925	2,878	2,091	2,087	496	483	291	257	47	50
Farmers and farm managers	1,550	1,493	1,433	1,373	102	112	14	9	1	--
Farm laborers and supervisors	1,375	1,385	658	714	394	371	277	248	46	51
Paid workers	1,015	1,074	630	683	158	161	194	192	33	37
Unpaid family workers	360	311	28	31	236	210	83	56	13	14

Employment and Earnings, U.S. Department of Labor, Bureau of Labor Statistics, Vol. 24 No. 11, November 1977, p. 34.

D. Data on Wages or Income and on Earner's Characteristics

Information by race and sex on basic hourly wage rate paid, although it would clearly be useful in many research contexts, including but certainly not limited to studies of discrimination, is most notable by its absence in the United States. Only the Area Wage Surveys of the Bureau of Labor Statistics offer actual wage rates, and these only for a scattering of particular occupations. These data are available by sex but not by race, are for local labor markets, and are obtained from employers. The surveys provide no information on worker characteristics beyond sex. It is perhaps ironic that an astute observer of labor markets believes that the publication of such data actually encourage and aid in employer wage discrimination by sex, since employers allegedly use them in deciding what wages to offer.[5] The Labor Department should perhaps consider the truth to this assertion, and consider discontinuing their publication. They have been little used in research.[6]

The major source of U.S. Government data on wage payments used extensively in research on race and sex bias have been data deriving from the Current Population Reports, which give wage income. These data are available annually in published form (Series P-60), and tapes are made available to researchers, which give data on individuals, so that it is possible to relate an individual's wage income to his or her hours, occupation, industry, education, age, family status and the like. Similar information has been provided by the Survey of Economic Opportunity.

The surveys of the National Longitudinal Survey provide wage data and are particularly rich in variables relating to the characteristics of the earners, and include information on work history, attitudes, numbers and ages of children and a host of other topics. They also provide data on individuals at different points in time. Another source of these kinds of data are the surveys done by the Survey Research Center at the University of Michigan.

E. Geographic Breakdown of Macro Data

For purposes of national policy against discrimination geographic breakdowns of unemployment statistics by race and sex are important where there is suspected to be significant differences in the degree of discrimination by region. In the case of race, progress for blacks in the South is a continuing issue. In the case of sex discrimination, it is not unlikely that regional differences would develop, although they do not seem of importance now.

Another important use of area statistics on employment and unemployment by race x sex is in justification for the local establishment of training programs aimed at discriminated-against groups. While training programs cannot by themselves reduce discrimination, they can be a valuable part of an antidiscrimination program because they negate the argument that there are no qualified women or minorities available.

Since 1970, state and metropolitan areas breakdowns of employment and unemployment by race x occupation and sex x occupation have been available annually in the BLS publication Geographic Profile of Employment and Unemployment. Hispanic data are presumably to be added. The format should be altered to give a race x sex break. Naturally, researchers would benefit from monthly or quarterly availability of data on local labor markets,

but for purposes of gross monitoring of progress, and for purposes of justifying of training programs, annual data are adequate.

The antidiscrimination agencies which use geographic differences to allocate resources among regional offices can presumably rely to some extent on establishment-level data the agency should be collecting, as discussed below.

F. Vacancy Data

We currently have no government data on vacancies. Vacancies are occasioned when the installation of a worker in a job lags behind the job being opened up, which occurs either through worker separation or through the job being newly created. Vacancy data are useful because - when added to employment estimates - they allow estimates of the total stock of job slots. Such information, in conjunction with labor turnover information, is useful in studying the dynamics of the labor market, and in constrasting the workings of a nondiscriminatory labor market with a discriminatory one.[7] Vacancy data were published for a number of years in the United States, (in Employment and Earnings) but they have been discontinued, resulting in lost opportunities for research. To be maximally helpful, they should be available by occupation x industry.

G. Labor Turnover Statistics

Labor turnover statistics have a special place in anti-discrimination efforts. There is very little sentiment for displacing sitting jobholders to take care of members of discriminated-against groups, even if the jobholders are acknowledged to have gotten their jobs through a discriminatory process. The focus of antidiscriminatory efforts is therefore on the hiring and promo-

tion which is now going on or will go on in the future. It is only through affecting the hiring and promotion process (the distribution of the flows of employees into particular job categories) that the distribution of stocks (the distribution of sitting employees by race x sex x occupation) will be affected.[8]

Labor turnover, and in particular accessions to employment or to a different status within a firm, provide the opportunity for change. It is extremely important for policy purposes to know the extent of such opportunities and the extent to which they have been used in a nondiscriminatory way. In a highly segmented labor market women and minority men are restricted to particular segments of the labor market, i.e., those jobs which they have traditionally held. It is through labor turnover information that we can follow the extent to which the discriminatory walls between the segments are being broken down.

In the United States at the present time, the information available on labor turnover is totally inadequate for purposes of research which would contribute to national antidiscrimination policy. The Labor Department publishes turnover data monthly for detailed manufacturing industries and selected nonmanufacturing industries from industry sources. For these data to be useful for antidiscrimination purposes, they would have to be broken down by race x sex x major occupation.

Another source of labor turnover data are the presently unpublished gross flow tabulations, which are based on the monthly survey of households, and which follow the transitions of individuals by race, sex and age from their industry, occupation, and employment status in one month to their status in the subsequent month. Unfortunately, the interpretation of these data are

made difficult by problems with those parts of the questionnaire of the Current Population Survey relating to labor force status -- problems which have been known to exist for at least the last 25 years, but which nevertheless persist. Clearing up these problems so as to make these data usable for purposes of analyzing progress against labor market segmentation would be a great step forward, and would be useful in other contexts as well. The Gordon Committee, which studied employment and unemployment data in 1962 was aware of these problems and in its report recommended that "a program of research be initiated looking toward reducing the defects of the gross-change data, and that the publication of the data be resumed as soon as possible"[9] (emphasis in original).

An aspect of labor turnover which is important in studying discrimination is worker movements from one job to another in their firms - particularly promotions. There are few federal data which could be used to give empirical content to theories of the "internal labor market",[10] which is the locus of much of the discrimination which goes on. One source for such data might be tabulations of the data firms might send into the EEOC, if the reforms in EEOC data collection advocated below could occur. Another source of such data is discussed below in the next section.

H. Data on Firms Deriving from Title VII Lawsuits

When the enforcement agencies or private plaintiffs bring charges against firm's employment practices, information derived from their personnel records is obtained and put into the public domain. Such information if properly organized and presented might be made highly relevant to public policy discussions on the problem of discrimination--its forms, its consequences, and the

potential remedies. Data of these kinds sometimes have an immediacy which aggregate monthly times series lack. They very clearly show that blatant discrimination in job assignment, promotion and pay has been the case in large well-known firms.[11] Relatively minor use has been made of such data for policy purposes and most writers on policy issues, including economists specializing in research in the area of discrimination seem oblivious to their very existence. (Cf. the recent deposition (under oath) by a highly respected researcher specializing in the labor market careers of women workers, in which he argued that females now have and have had an equal opportunity with males to be employed in all jobs.)[12] The organized publication and analysis of the data made available and put into the public domain as a result of court or regulatory proceedings (as in the Liberty Mutual case or the AT&T case) would be highly desirable. This would probably best be done by grants to private researchers.

I. Data on Governmental Practices

Researchers on discrimination have made comparatively little use of the potential wealth of information available concerning the operations of the U.S. Civil Service. Some of these data have been published in aggregated form.[13] More would be done by researchers if more data from personnel files (properly sanitized for privacy purposes) could be released to researchers.

J. Problems with Currently Published Series

A major problem with the published data on unemployment is that some of the methods of collecting and editing them seem to result in minimizing the gravity of the situation of discriminated-against groups.

For women, the most important problem concerns the method of asking about labor force participation, which undoubtedly reduces the reported female unemployment rate.

The following are instructions given to interviewers asking about labor force membership:

> "In asking item 19 ['WHAT WAS ... DOING MOST OF LAST WEEK, WORKING OR SOMETHING ELSE?'] include the example which seems most appropriate plus the words 'or something else' to give the respondent some choice in this answer. For adult males, say 'Working or something else'; for housewives, 'Keeping house or something else'; and for teen-agers, 'Going to school or something else.' If none of the examples seem particularly appropriate, use 'Working or something else.' Mark the circle which best describes the person's chief status during survey week."[15]

On the same page of the manual, the interviewer is told that a woman might say that "her husband wouldn't permit [her to do paid work]". This would seem a tipoff to a possible problem of sexism and/or out-of-dateness of the manual's author(s). The entire manual ought to be examined for indications of this problem. Certainly, the same question should be asked of persons of both sexes, and interviewer discretion should be minimized.

With respect to race, a question must be raised as to the extent to which the phenomena which produce the notorious undercount of blacks in the decennial Census also work to affect the reported rate of unemployment for blacks in the monthly reports. This matter should be (if it has not already been) the subject of intensive study. The result of such a study should be a method of applying correction factors to the raw data, so as to produce unemployment rates for blacks (and for all labor force members) which reflect the full population. Once this is done, only corrected figures on unemployment rates should be published.

Finally, some of the nomenclature used in reporting data on unemployment has an unfortunate "blame the victim" flavor, and helps to sustain attitudes

inimical to improvement in the situation of minority males and women. In particular, I refer to the titles of Table A-13 in Employment and Earnings, "unemployed persons by reason for unemployment, sex, age and race". In trying to understand that this title is an offensive misrepresentation, it is useful to distinguish between the occasion of a person's entering the state of unemployment (job losing, job leaving, entry, reentry), and his or her persisting in that state long enough to be counted, perhaps more than once, on account of failure to find an acceptable job. Once this distinction is made, it is obvious that the "reason" for the person's being unemployed is a complex one, and that part of that "reason" may involve discrimination if the person is a member of a group disfavored by employers. I would therefore suggest substituting for the words "by reason for" the words "by occasion of entry into".

II. Data Needs on the Firm or Establishment Level for Purposes of Enforcing Antidiscrimination Laws and Executive Orders

In considering data needs for enforcement purposes we can distinguish the uses to which such data ought to be put:

1. reminding employers of their obligations
2. reminding employees of their rights
3. informing the public of progress or the lack thereof
4. targeting employers for further investigation
5. deciding which cases to pursue seriously
6. carrying on lawsuits o disbarment proceedings against employers
7. allocating the resources of the enforcement agencies by geographic area and industry
8. judging the effectiveness of the enforcement agencies' activities[14]

In this list, items (1)-(3) can be considered educational tasks of the enforcement agencies, (4)-(5) relate to targeting, (6) to litigation, (7)-(8) to administration. We shall discuss these topics below, along with some others.

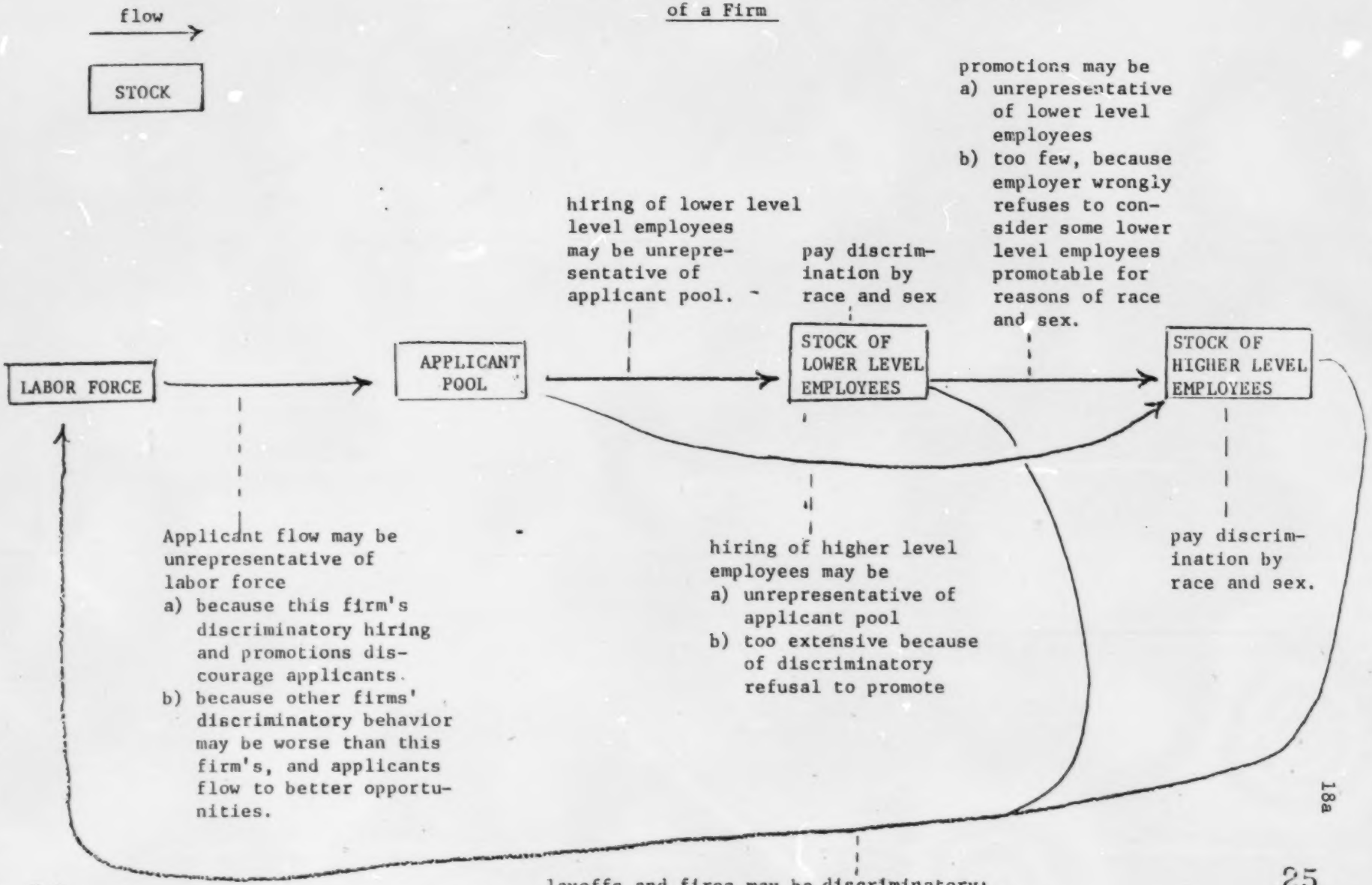
In discussing the information needs with respect to individual firms, it is helpful at the outset to distinguish stocks (the labor force, the applicant pool, the body of employed persons) and flows (the flow of applicants into the applicant pool, hires, promotions, separations). The relations of the stocks and the flows are shown in Figure 2, and the possible way in which firm's discriminatory acts can affect the people who make up the flows and stocks are indicated.

The kinds of information which both the firm (or government unit or union) itself and the enforcement authorities need to know relate to what the firm is currently (or has recently been) doing, and what a reasonable standard of nondiscriminatory behavior for this particular firm might be, so that the firm's actual behavior can be compared to that standard.

A. Information on Establishments' Behavior

In the United States it has been the practice of the Equal Employment Opportunity Commission to ask firms to supply annually data on stocks of employed persons by race x sex x 9 broad occupations. The only other data the firm is asked to give is the number of "formal on-the-job trainees" by race x sex, with "white collar" trainees distinguished from "production" trainees. The information requested on trainees comes near to being information on flows, since the trainees are presumably in transition to being full-fledged occupants of jobs requiring training. However, the present questionnaire obviously stops short of requiring information on all flows on a systematic basis.

Figure 2. Occasions of Discrimination on the Part of a Firm


flow
STOCK
LABOR FORCE
APPLICANT POOL
STOCK OF LOWER LEVEL EMPLOYEES
STOCK OF HIGHER LEVEL EMPLOYEES
hiring of lower level level employees may be unrepresentative of applicant pool.
pay discrimination by race and sex
promotions may be
a) unrepresentative of lower level employees
b) too few, because employer wrongly refuses to consider some lower level employees promotable for reasons of race and sex.
Applicant flow may be unrepresentative of labor force
a) because this firm's discriminatory hiring and promotions discourage applicants.
b) because other firms' discriminatory behavior may be worse than this firm's, and applicants flow to better opportunities.
hiring of higher level employees may be
a) unrepresentative of applicant pool
b) too extensive because of discriminatory refusal to promote
pay discrimination by race and sex.
layoffs and fires may be discriminatory; quits may be induced by discriminatory behavior.

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Before going on to discuss what changes would be desirable, a short disquisition on reporting burden seems appropriate. The reporting burden of implementing the suggestions made here are obviously less for those firms which own or employ computers than those which do not, and among those who do have computers are lower for firms with well developed computerized personnel systems. Therefore, it might be reasonable to require the full range of material only from large firms, on the ground that a high porportion of them will be well computerized, and that for them the reporting burden will be trivial.

A switch from reporting information on stocks to requesting information on gross flows would be highly desirable. (Gross flows signify all flows in and out of an occupation group, as constrasted with net flows which are taken by subtracting flow out from flow in.) First of all, getting data on flows would focus both the firms' and the agency's attention on "where the action is". At hiring time, the firm would have to keep a record, and this is when they should be thinking about their EEO obligations. Secondly, a firm with static or dropping employment might still be filling vacacies caused by labor turnover. With the present information system there is no way to see whether a firm which has static or declining employment is failing to improve the race/sex composition of its stock because of discrimination or because it isn't hiring anymore.

Thus, the EEO1 form on which data are currently collected for stocks should be redesigned so that from each occupation group the firm would be required to report by race x sex all flows in (by hiring, transfer or promotion into) and all flows out (by separation, transfer, promotion out of). There should be at least one point in time for data on stocks, but subsequent

stocks can be deduced from flows. A similar switch from stocks to flows should be made for information collected from governmental units and unions.

One problem in connection with the present EEO1 is that the broadness of the occupational categories may conceal a great deal of discriminatory behavior. In some firms, for example, large numbers of women may be classified as manageral and supervisory, yet be segregated off into low-level dead-end jobs. Increasing the number of occupations broken out is probably not the way to deal with this problem, because of the reporting burden and increased chance of misclassification. This problem could be dealth with by requiring average compensation by sex x race for each occupation.

B. Setting Standards of Nondiscriminatory Behavior

The most important information which is relevant to the determination of what should, under a nondiscriminatory regime, be expected to go on in an individual firm concerns the availability of members of each race/sex group who can be deemed competent to fill various jobs. In the United States, information on employment and labor force by race x sex x occupation x county is found in the decennial census. Some of the information for metropolitan areas is available annually.

The most important availability issue relates to "competence". If employers are allowed to take the view that the pool of persons from whom they choose for hiring for a particular occupation need include only those already in the occupation or like occupations, then the pool from which applicants are drawn will have the same race/sex composition as those already in the occupation, and very little progress can be expected. Since discrimination by race and sex in the United States has been pervasive, the current distribution of

persons in each occupation by race and sex reflects that history. Unfortunately, some judges, and even some officials of EEOC have been content to hold up as a standard of nondiscrimination the achievement by a firm of a distribution of persons by race or sex which is no more representative of minorities and women than that shown by the industry average.[16]

The key to an understanding of this matter is that there is always recruitment into an occupation of persons who are inexperienced in that occupation; if this were not so, natural processes would reduce the size of the occupation to zero. The first task is to define the pool of inexperienced entrants in a nondiscriminatory way. The second task is to define the employer's obligation to induct inexperienced entrants from that pool, where a sole or major reliance on the pool of persons experienced in that occupation would continue to produce a stock of persons which disproportionately excluded members of certain race x sex groups.

It should be the responsibility of the enforcement agency to issue guidelines as to the race x sex composition of the (nondiscriminatory) pool of persons who might be eligible to be new inductees into each broad occupational group, and guidelines as to the responsibility to resort to the hiring of inexperienced inductees. These guidelines might take into account valid educational criteria, as well as regional availability of persons by race x sex.

What would be eminantly desirable would be from the EEOC to go beyond the issuance of guidelines in this matter and to develop software and data banks which would allow an initial estimate of availability by race x sex for most broad occupations in any firm in any labor market. Obviously, those occupations which require specialized off-the-job schooling to establish elibibility (as would be the case in many technical and professional occupations) would have to be treated specially.

C. The Desirability of Publishing Employment Data by Name of Firm

By law, individual establishment data are not available to the public, and only summaries by industry or area are published, except in the case of government contractors. It would be highly desirable if information reported by individual establishments (including the information on flows recommended above) were not only available to the public, but were also published regularly, so that a firm's workers would know that they could get the information by going down to their public library, or making a routine call to the regional office of the Equal Employment Opportunity Commission. The knowledge that this information were easily and routinely available might influence firms to structure their personnel activities in such a way as to obey the law.

The rationale for keeping firm and establishment data confidential usually given relates to the harm a firm might suffer if its "trade secrets" were exposed to the eyes of its competitors. The kinds of information that would injure a firm would presumably be those which gave a rival some hint as to new moves the firm was making which would affect its competitive position: a new plant, a new product line, a new technology, a planned change in amounts produced, etc. It is hard to see that the publication of the kinds of data which would be helpful in matters relating to employment discrimination would adversely affect a firm's competitive position. In any case, the public interest in reducing employment discrimination should be controlling here, just as the public interest in regulation of the stock market has mandated the publication of financial data by name of firm. The publication might be in terms of percentage distributions of stocks and flows by race x sex rather than absolute numbers, which would retain the information content

necessary for matters relating to discrimination, but reduce the information content with respect to other matters. The law should be amended to allow this.

Pay information by occupation should also be published by the enforcement agency for firms. This would help to detect pay discrimination and would also be helpful in showing the extent to which women and blacks were making progress within broad occupational groups. Again, absolute dollar amounts are not essential; all that would be required for anti-discrimination purposes would be the ratio of the wage for each race x sex group to the wage for white males within the major occupation group.

Ideally, for each firm for which the enforcement agency issues a report on its record on hiring, employment and wages, information on the availability of blacks and women tailored to the establishment's local labor market conditions could be issued, to accompany the information on performance. This would be maximally useful to the public and in particular to employees of and applicants to each firm in being able to satisfy themselves that they have been dealing with an establishment which was abiding by the law.

D. Educational Activities of Enforcement Agencies

The antidiscrimination agencies should issue and publicize educational material on the nature and extent of discrimination to a far greater extent than they have so far done and with far greater skill than they have so far displayed. There is an astounding ignorance on what the law requires. For example, many female complainants, plantiffs and even some attorneys think entirely in terms of pay differences, and do not seem aware of the fact that women are entitled by the Civil Rights Act to equal access to managerial and crafts jobs.[17] Appropriate educational material to combat such ignorance, which

permits violations of the Act to go unnoticed, would use the data on flows described above, and would display the fact that appropriate hiring patterns were being pursued in some firms and not in others.

Footnotes

1. See Allan Blinder, for a discussion of the methodological problems involved, and for a bibliography of such studies.
2. U.S. Commission of Civil Rights, "Improving Hispanic Unemployment Data".
3. Act of June 16, 1976, Pub. L. No. 94-311, S1-2, 90 Stat. G88.
4. U.S. Commission on Civil Rights, p. 9.
5. Winn Newman, in Blaxall and Reagan, eds. Women and the Workplace.
6. The most notable use has been of the data on office occupations by Francine D. Blau in Equal Pay in the Office, Lexington Books, 1977.
7. See Barbara R. Bergmann, "Empirical Work on the Labor Market: Is There Any Alternative to Regression Running?" Proceedings of the 27th Annual Meeting of the IRRA 1976, pp. 243-251.
8. See Barbara Bergmann and William Krause, "Evaluating and Forecasting Progress in Racial Integration of Employment", Industrial and Labor Relations Review, Vol. 25, No. 3, April 1972, pp. 399-409.
9. President's Committee to Appraise Employment and Unemployment Statistics, Measuring Employment and Unemployment, p. 81.
10. Peter Doeringer and Michael Piore, Internal Labor Markets, Heath Lexington Books.
11. See Phyllis Wallace (ed.), Equal Opportunity and the AT&T Case, (Cambridge: MIT Press, 1976).
12. Deposition of Solomn William Polachek in the case of Lemons, et al. vs. the City and County of Denver, U.S. District Court for the District of Colorado, March 24, 1978, pp. 15-17.
13. For example, see U.S. Civil Service Commission, Study of Employment of Women in the Federal Government, 1972 (Washington: Government Printing Office).

Footnotes continued

14. See Andrea H. Beller "The Impact of Equal Employment Opportunity Laws on the Male/Female Earnings Differential (August 1977, processed) Institute for Research on Poverty Discussion Papers 436-77 for a discussion of some of these issues and a list of references. The present author does not believe that a satisfactory way of thinking about these issues has been worked out yet.

15. U. S. Bureau of the Census, CPS Interviewers Manual, CPS-250, issued December 1971, p. D6-3 (revised April 1975).

16. For references and an extended discussion of this and other relevant issues see Marc Rosenblum, "The External Measures of Labor Supply: Recent Issues and Trends", Conference on Affirmative Action Planning, Cornell University, October 31, 1977.

17. For example, see the pleadings in Lemons et al. vs. County of Denver, et al., where the question of nurses' access to jobs in hospital management, other than "nurse-supervisor" is not hinted at.

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